

MOROCCO



Morocco The United States seeks to maintain its strong relationship with Morocco, a key ally and partner. The top three U.S. foreign policy goals are promoting economic growth, countering terrorism, and promoting democratic reforms. Morocco has made impressive economic and political strides in recent years, including liberalization of its trade relations with the United States and other countries, and significant political and social reforms, including the 2004 family law. Nevertheless, Morocco continues to face serious challenges. Illiteracy and joblessness, especially among the urban youth, remain high. While economic growth has accelerated, it has not yet reached the point where it can effectively absorb new entrants to the labor force and reduce poverty. Frustration with unemployment, unmet educational and health needs, and endemic corruption has broadened the appeal of non-secular parties and non-governmental organizations. Of greatest concern is the continued growth of a dangerous terrorist fringe, as reflected in the number of terrorist cells identified and disrupted since the summer of 2006. A strong level of engagement in support of Morocco's reforms, and maintaining the close U.S.-Morocco partnership, remain central to achieving U.S. goals.

Peace and Security: Assisting Morocco secure its porous borders and long coast line against terrorist threats, clandestine migration, and trafficking is critical to ensuring stability and safeguarding U.S. national interests. U.S. assistance will support Morocco's efforts to control its borders and to counter trafficking and smuggling, be it human, narcotics, cash, or conventional and unconventional weapons. Continued efforts to eliminate drug trafficking and patrol areas around the Strait of Gibraltar will be maintained. Countering radicalization is a serious challenge for Morocco. U.S. assistance will support capacity building activities that target specific causalities of youth radicalization, such as endemic corruption and lack of public services, which lead to outrage at social, economic, and political injustice. The realities of the terrorist threat and its impact on security and stability in Morocco have never been clearer than following the May 2003, and March and April 2007 suicide bombings in Casablanca. Among the key factors potentially breeding terrorist threats worldwide are marginalized youth populations (particularly males) that are particularly vulnerable to radicalization. Prisons are also potential areas for the recruitment, radicalization, and networking of extremist groups. To help alleviate the potential for youth radicalization, the U.S. Government has set a target for FY 2010 of 5,000 at-risk youth in targeted areas receiving services that empower them to make positive choices that will mitigate their receptivity to extremist ideology. The Government of Morocco (GOM) has signed contracts for important U.S. air and ground military equipment, support vehicles, and training. These programs will provide the United States with access and interoperability with Moroccan military over the long term. The U.S. cooperation program in Morocco is a model for the region and is an important aspect of on-going regional multilateral security cooperation activities, including peacekeeping operations. Requested FY 2010 funding will allow the U.S. to meet a target of assisting Moroccan military personnel participation in 50 exercises with U.S. or coalition forces.

Governing Justly and Democratically: The ability of the Moroccan people to directly influence public policy and ensure government responsiveness is critical to Morocco's stability and capacity to confront terrorism. U.S. assistance will support GOM efforts to decentralize and strengthen public institutions at the regional and local levels. This will include working closely with locally elected councils to strengthen their ability to receive and respond to the concerns of their constituents. As a part of this effort, assistance will enhance the capacity of local government to address constituents' needs by increasing local governments' access to capital markets. U.S. programs will directly engage civil society, helping increase

the capacity of citizen organizations to participate effectively in public policy dialogue at the local level and monitor government performance in the execution of public policies. Programs will particularly target civil society groups working toward public policies that address the needs of young people for jobs and skills relevant to the workplace and the global economy. U.S. assistance will increase accountability and transparency of key institutions within the judicial sector. Among other activities contributing to improved rule of law in Morocco, are assistance programs that will enhance the independence of judges. In addition, U.S. assistance will support the GOM in enacting priority legal reforms that promote citizen equality. This approach is based on the reform priorities of the Moroccan Government as well as lessons learned among U.S. agencies and other donors.

Investing in People: In FY 2010, the education program will build the skills of both in-school and out-of-school youth, thus reducing the likelihood of youth becoming a destabilizing force. Public education in Morocco is lacking in quality and relevance, resulting in a large population of undereducated and unemployed youth. U.S. assistance will improve national education policy and increase institutional capacity to decentralize policy decisions and sustain improvements. Civil society organizations and the private sector will be key partners in developing and implementing programs that build life skills, entrepreneurial skills, and civic responsibility.

Focus on Performance: Morocco's Government has signed contracts for important U.S. air and ground military equipment, support vehicles, and training. These programs will provide the United States with access and interoperability with Moroccan military for the long term. U.S. cooperation program in Morocco is a model for the region and is an important aspect of on-going regional multilateral security cooperation activities, including peacekeeping operations. Requested FY 2010 funding will allow Morocco to improve its capacity to be a sustainable partner for the U.S. military interests in the region. To this end, the U.S. Government has set the target of assisting Moroccan military personnel participation in 50 exercises with U.S. or coalition forces by FY 2010. This is a new activity and does not represent the complete funding to this program element. The realities of the terrorist threat and its impact on security and stability in Morocco has never been clearer than following the May 2003, and March and April 2007 suicide bombings in Casablanca. The international threat is equally clear given the involvement of Moroccan nationals in terrorist activity in Iraq, Afghanistan, the 2004 Madrid bombings, and even in the 9/11 attacks in the United States. Among the key factors which potentially breed terrorist threats worldwide, are marginalized youth populations (particularly males) that are particularly vulnerable to radicalization; prisons are also potential areas for the recruitment, radicalization, and networking of extremist groups for youth. The requested FY 2010 funds will allow the U.S. Agency for International Development (USAID) to replicate successful youth empowerment programs focused on improving the employability of at-risk youth. To help alleviate the potential for youth radicalization, the U.S. Government has set a target of 5,000 at-risk youth in targeted areas receiving services that empower them to make positive choices that will mitigate their receptivity to extremist ideology by FY 2010. The proposed level of funding in FY 2010 will allow the U.S. to achieve this target. U.S. assistance will increase the efficiency and effectiveness of justice sector institutions; enhance accountability and transparency within the justice system; and work to overcome the unequal application of laws. In addition, U.S. assistance will support the Government of Morocco in enacting priority legal reforms that promote citizen equality. Civil society will play an important role in this process through provision of legal analysis, support for legal reforms, advocacy for citizen issues, and demand for accountability. This approach is based on the reform priorities of the Moroccan Government, a detailed rule of law assessment conducted in FY 2009, and lessons learned among U.S. agencies and other donors. Among other activities supporting an improved rule of law in Morocco, the FY 2010 requested amount will fund activities to enhance the independence of judges. USAID has set the target to support the identification, vetting and promulgation of five laws, regulations and procedures related to judicial independence by FY 2010. The 2007 parliamentary election turnout was only 38 percent and half of the votes cast were purposefully

spoiled. This suggests that Moroccans have high levels of dissatisfaction with political party platforms and leadership, and that elections lack relevance to governance, thus depressing rates of participation. As the June 2009 local elections approach, USAID will provide technical assistance aimed at enabling political parties to re-position themselves to reverse this voter participation trend. USAID will also support political parties in implementing reforms to democratize internal party operations. As a result of USAID assistance, Moroccan political parties will better represent voters, build stronger, more democratic national organizations which will eventually use their newfound power base to bring policy solutions to the table. The results of activities will be measured by the number of people USAID is able to train in political party training sessions. For FY 2009, the previously set target of 16,300 people trained will likely not be met as the planned funding was cut in half. However, with funding restored to anticipated levels in FY 2010, it is anticipated that 17,000 people will be trained. Rapid population growth in Morocco –coupled with industrialization and urbanization – has resulted in an increasing demand for water and will have serious consequences on the environment. Since 2006, the water availability per capita has fallen below 1,000 m³, the minimal requirement defined by the United Nations Program for Environment. In addition, competing demands from different sectors (agriculture, municipal uses, tourism and manufacturing) require drastic improvement in the management of an increasingly scarce resource. The U.S. Government will use the FY 2010 requested funds to support a holistic approach that will involve all agencies relevant to water management and valuation. This participatory process will serve as an example for other regions in Morocco and potentially other countries of a method to address a critical issue that transcends local and regional needs and authority, build the capacity of local experts and the legitimacy of river basin agencies, and help design solutions and incentives to improve water management. It is estimated that, by FY 2010, the economic benefits of U.S. assistance in improving water management will impact about 2,500 people.

Economic Growth: Agriculture is an important but non-competitive sector in the Moroccan economy. A combination of low agricultural productivity, inefficient use of productive resources (such as land and water), and protectionist government policies result in this sector providing only 12 to 17 percent of GDP, but employing about 40 percent of the population. Over two-thirds of Morocco's poor live in rural areas. Rural to urban migration, especially among youth, adds to the country's socioeconomic problems. Water is a major constraint to the development of agriculture, which uses 75-85 percent of water resources. U.S. assistance will build on progress to date in establishing a policy environment for agriculture that improves productivity and further develops competitive value chains. U.S. assistance will support policies that promote private sector development in rural areas to expand agribusiness and employment in non-agricultural businesses, especially for rural youth. U.S. assistance will also develop public and private institutional capacity to attract needed investment and create businesses. In addition to the programs carried out by USAID, U.S. assistance will actively support the implementation of a Millennium Challenge Corporation (MCC) compact focused on poverty reduction through targeted investments in agriculture, artisanal crafts, fisheries, and enterprise creation. Rapid population growth in Morocco – coupled with industrialization and urbanization – has resulted in an increasing demand for water and will have serious consequences on the environment. The U.S. will use the FY 2010 requested funds to support a participatory and holistic approach to water management and valuation. This process will serve as an example for other regions of a method that provides solutions and incentives to improve water management, while build the capacity of local experts and the legitimacy of river basin agencies.

Linkages with the Millennium Challenge Corporation

The \$697.5 million Compact signed by Morocco in 2007 with the MCC entered into force in September 2008. The Compact will fund activities in agricultural production, small-scale coastal fishing, artisanal crafts and tourism, expansion of the microfinance sector and establishment of new enterprises. U.S.-sponsored activities will improve policies and organizational structures in the rural areas, as well as further develop agriculture-based value chains that will enhance the return on MCC's investments.